Tactical Budget Development

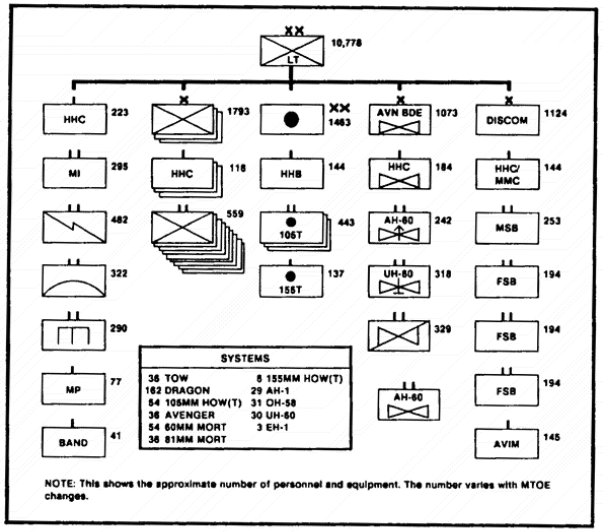
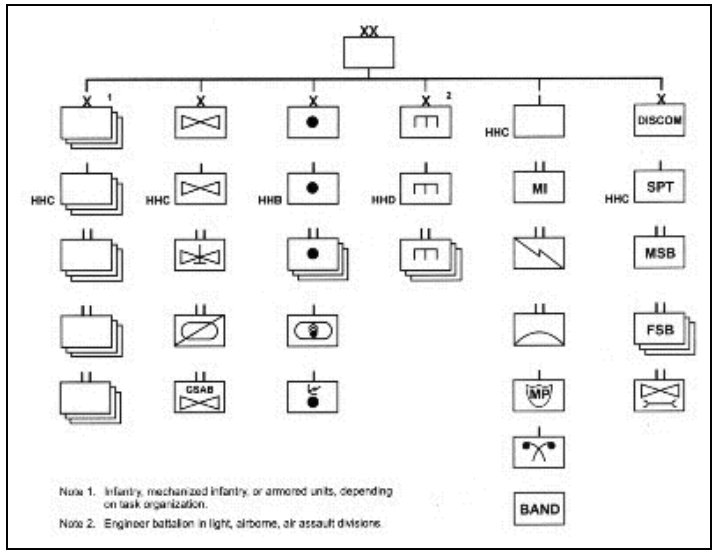
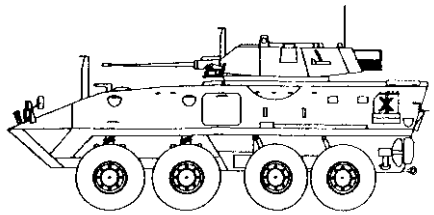
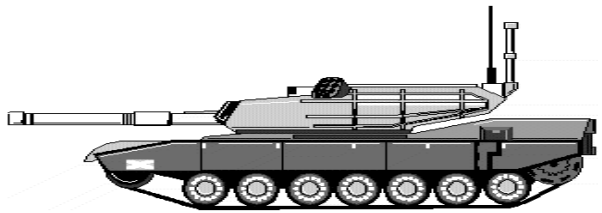


Figure 1-1. Light infantry division





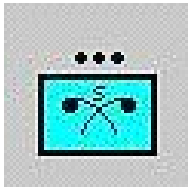


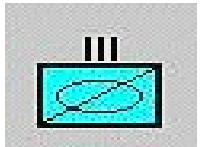
Tactical Unit Budget Development

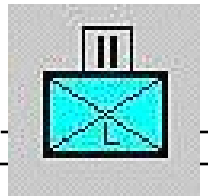
- Task: Develop a budget for a tactical unit.
- Conditions: Given an MTOE, MDEP listing, cost factors, BMG, and CBE.
- Standard: Determine a unit's budget for the next FY IAW AR 1-1

Understand Unit and Mission

- Unit – Type of Unit and Size - Combat, Combat Support, Combat Service Support.
- Mission – Supposed to do what and for whom?
- Equipment and quantity – tanks, helicopters, infantry, or artillery?
- Personnel – How many soldiers will be participating?
- Major events – NTC, JRTC, MFO, JCS?
- Supporting programs – ERP, CNP, JTF?







Finance School, Ft. Jackson.

Operational Army Groupings

COMBAT:

- **Infantry**
- **Armor**
- **Field Artillery**
- **Air Defense Artillery**
- **Combat Engineers**
- **Aviation**
- **Special**

COMBAT SUPPORT:

- **Engineers**
- **Signal**
- **Military Intelligence**
- **Military Police**
- **Chemical**

COMBAT SERVICE SUPPORT:

- **Quartermaster**
- **Ordnance**
- **Transportation**
- **Adjutant General**
- **Finance**
- **Medical**
- **Judge Advocate General**

Army Major Commands (MACOMs)

Direct to DA:

- **FORSCOM**
- **TRADOC**
- **AMC**
- **INSCOM**
- **SMDC**
- **COE**
- **MDW**
- **CIDC**
- **MEDCOM**
- **MTMC**
- **ATEC**

Through Unified Commands:

- **USAREUR**
- **EUSA**
- **USARSO**
- **USARPAC**
- **USASOC**

Operational Army Organization

XXX

Corps

XX

Division

15,000 soldiers

X

Brigade

2,000 soldiers

II

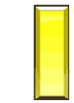
Battalion

300-700 soldiers

I

Company

+/- 100 soldiers



•••

Platoon

+/- 30 soldiers

Equipment

- Key aspect in determining budget requirements
  - Cost and budget is determined by type
  - What is on hand
  - What is its purpose
  - Age of the fleet
  - New initiatives, FORCMOD, MTOE changes

- Often supported by specific MDEPs

Equipment/Unit link to Budget

- AMSCO 111000 - Divisions
  - 111011- Heavy
  - 111012- Airborne
  - 111013- Air Assault
  - 111014- Light

- AMSCO 112000 - Corps Level assets
  - 112006 - Corps Artillery

- AMSCO 114000 - Theater Level assets
  - 114001 - Theater Aviation

Equipment/Unit link to Budget Multiple MDEPs

- 4th Infantry Division
  - AMSCO 111011- Heavy Division

- MDEPs with in SAG 111011:

  - W54M (4 ID operations)
  - VFHP (Aviation Flying Hours)
  - VFHM (Aviation Contract Serv

REQUIRED INFORMATION FOR TACTICAL UNIT BUDGETING

- Unit Mission
- Higher Headquarters
- Table of Organization and Equipment (TOE)
- Table of Distribution and Allowances (TDA)
- Budget Manpower Guidance (BMG)
- Commander's Annual Training Guidance
- Annual Training Calendar

TOOLS AVAILABLE

- General Schedule Salary Table
- The AMSCO, EOR, and MDEP of the unit
- Previous Year Budgets/Historical Data
- Joint Federal Travel Regulation (JFTR)
- Cost Factors
- MSC Command and Staff input

Budget Process

Scenario:

- 1 BDE, 54th ID (M) Budget Analyst
- Develop budget for next FY
- Prepare Budget Worksheet
- Develop UFR List
- Develop Decrement List

SIX-STEP PROCESS

1. **Receive guidance**
2. **Determine total requirements by EOR**
3. **Determine financed requirements**
4. **Establish priorities**
5. **Phasing**
6. **Prepare supporting schedules**

STEP # 1: RECEIVE GUIDANCE

BUDGET MANPOWER GUIDANCE

- Dollar Guidance
- Manpower Guidance
- Workload Guidance
- Administrative Guidance

1 BDE Funded $18.3M

All GS employees funded

No ARA at BDE level

Round to the nearest $1

Commander's Annual Training Plan/Guidance

- Training Calendar
- Priority of Events/Tasks/Missions

"WE WILL TRAIN 125 days/800 miles! else is secondary"

WORKLOAD GUIDANCE

Estimate of the amount of work performance expected by the installation, support units, and activities

Performing products or services for self and others

ADMINISTRATIVE GUIDANCE

- **Budget format**
- **CIV PAY phased per quarter at:**
  25%, 49.6%, 74.6%, 100%
- **Rounding instructions ($10)**
- **Special schedule preparations**

STEP # 2: DETERMINE TOTAL REQUIREMENTS BY EOR

Element of Resource

A code for classifying the type of services, goods, or other items being procured or consumed according to its nature rather than its purpose

ELEMENTS OF RESOURCE

1100 Personnel compensation

1200 Personnel benefits

2100 Travel and transportation of personnel, TDY

2200 Transportation of things

2300 Rents, Communications & Utilities

2400 Printing and reproduction

2500 Contractual services

2600 Supplies and materials

3100 Non-consumable supplies and materials, equipment

METHODS TO DETERMINE EOR 11
PERSONNEL COMPENSATION

- **Salary Table**
- **Average Cost**

TDA LINE/PARA	JOB TITLE	SERIES	GRADE	STEP	HR RATE	ANN RATE
010A 00	1 BDE					
010A 01	CDR SEC	GS318	11	6		
010A 02	OPS TEC	GS1712	11	1		
010B 00	3-78 IN					
010B 01	CDR SEC	GS318	12	3		
010C 00	3-79 AR		9	3		
	CDR SEC	GS318				
010D 00	3-90 AR					
010D 01	CDR SEC	GS318	7	3		

$$\frac{\text{CIV PAY total}}{\text{Total \# Number Personnel}} = \text{Cost per GS}$$

EOR 1100, Salary Table

1 BDE TDA

TDA LINE/PARA	JOB TITLE	SERIES	GRADE	STEP	HR RATE	ANN RATE
010A 00	1 BDE					
010A 01	CDR SEC	GS318	11	6		$50,141
010A 02	OPS TEC	GS1712	11	1		$42,976
010B 00	3-78 IN					$45,842
010B 01	CDR SEC	GS318	11	3		
010C 00	3-79 AR		9	3		$37,887
	CDR SEC	GS318				
010D 00	3-90 AR					
010D 01	CDR SEC	GS318	7	3		$30,973

Total Budget EOR 1100 ~

COMPUTATION OF EOR 1200, PERSONNEL BENEFITS

Base pay times (X) a stated percentage. Assume current rate is 16%.

1 BDE: $207,819 X 16% ~ $33,250

COMPUTATION OF EOR 2100, TRAVEL OF PERSONNEL, TDY

- **To determine the total costs for EOR 2100, you must figure the cost of each individual TDY trip scheduled**
- **For each trip, you need the following information:**
  - **purpose of the TDY**
  - **number of personnel traveling**
  - **place traveling to (per diem rate)**
  - **number of days TDY**
  - **estimated cost of travel (airfare, POV)**

  (21T1- commercial transp., 21T2- per diem, other)

COMPUTATION OF EOR 2100, TRAVEL OF PERSONNEL, TDY

- **Refer to local Government Contracted Travel agency to obtain Air, bus, ferry cost**
- **Refer to Travel Regulations and per diem committee's rates on 21T2, lodging, per diem, incidentals, mileage, etc.**

#PAX	Month	Location	Air Fare (ea)	T1	#Days	Per Diem Rate	T2	Total
29	Oct	Ft Sill, OK	$450		21	$85		
7	Jan	Fort Knox, KY	$150		5	$85		
3	Feb	Fort Monroe, VA	$215		3	$141		
1	Apr	Fort Bragg, SC	$145		5	$85		
2	May	Fort Irwin, CA	$368		14	$126		
14	Sep	Fort Benning, GA	$202		4	$101		

COMPUTATION OF EOR 2100, TRAVEL OF PERSONNEL, TDY

- **Refer to local Government Contracted Travel agency to obtain Air, bus, ferry cost**
- **Refer to Travel Regulations and per diem committee's rates on 21T2, lodging, per diem, incidentals, mileage, etc.**

#PAX	Month	Location	Air Fare (ea)	T1	#Days	Per Diem Rate	T2	Total
29	Oct	Ft Sill, OK	$450	$13,050	21	$85	$51,765	$64,815
7	Jan	Fort Knox, KY	$150	$1,050	5	$85	$2,975	$4,025
3	Feb	Fort Monroe, VA	$215	$645	3	$141	$1,269	$1,914
1	Apr	Fort Bragg, NC	$145	$145	5	$85	$705	$850
2	May	Fort Irwin, CA	$368	$736	14	$126	$3,528	$4,264
14	Sep	Fort Benning, GA	$202	$2,828	4	$101	$5,656	$8,484
							~~	$84,352

COMPUTATION of other EORs: 2200-

Base figures on historical data, input received, or known changes for EORs:

2400 - Printing and reproduction

- Annual Command & Staff submissions
- Unit requirements for/per event
- G3 or G6 validation

2500 - Contractual services

- Annual recurring requirements
- Requirement per event
- G3, G4 or Command validation

3100 - Non-consumable supplies, materials, and equipment

- G3, G4 or Command validation
- Property Book Officer submission/authorization
- G3 FORCMOD (BIOP)

COMPUTATION OF OTHER EORs

1 BDE submitted the following requirements. G3, G4, and PBO have validated these estimates (not in priority).

2400 - Printing and reproduction

$4,500 for safety books
$1,500 for tactical copiers during FTXs
$35,000 for copier rentals

2500 - Contractual services

$90,000 for M1A2 turret maintenance
$28,000 for Porta-Potties during FTXs
$15,000 for Janitorial Services

$ 41,000

3100 - Non-consumable supplies, materials, and equipment

$10,000 Tactical Laser pointers (NVDs)
$35,000 Knee and Elbow Pads (kevlar)
$135,000 SINGARS antenna/power upgrade

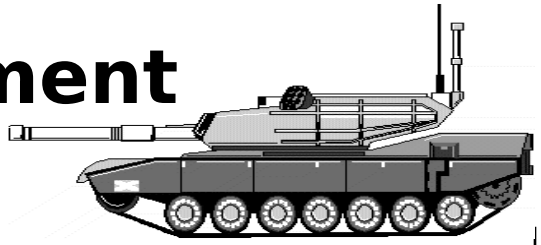
$133,000

$180,000

COMPUTATION OF EOR 2600, SUPPLIES AND MATERIALS

- **Base on workload, training schedule, density, duration, seasonal requirements, and historical data**
- **Historical or Cost Factors used to determine total requirements**
  - Normal day-to-day operations
  - Training specific
    - Exercise or event

EVENT COSTING



EOR 2600: # of vehicles/equipment

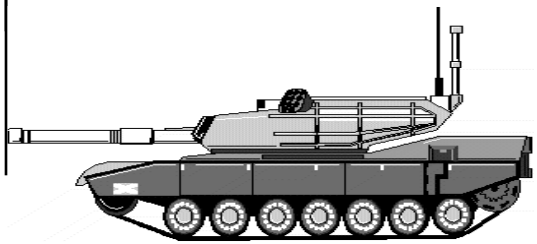
X

Miles/hours per day

X

Cost factor for equipment

X



# of days = Total EOR 2600

Total event cost = EOR 2600 + any other EORs nee

Annual Event Costing

1 BDE (2 Armor Bn, 1 Mech Inf Bn) submits Annual training budget for FY XX

BDE CDR states his unit will attain a T1 status with 125 training days in 1st, 3rd, & 4th QTRs:

-Platoon - BDE Live Fire, Gunnery, STX Lanes, FTX,

EXEVALs, etc, average 6.4 miles a day

- All MTOE equipment anticipated mileage for the FY:

Tracked vehicles (800)	Wheeled vehicles (2,000)
M1A2- 90	FMTV - 10
M2A1- 44	PLS - 9
M1064 (MTR)- 12	LMTV - 34
M1097 - 18	M998 - 76

Budgeting the CDR's intent

125 days * 6.4 = 800 m

Annual Training Plan	125 Days (800 miles) 100% OPTEMPO				
FY XX					
LIN/Nomenclature	Density	X	Miles/Hours	Parts & Fuel Cost Factor ($)	Total
M998	76		2000	0.49	
FMTV	10		2000	0.89	
LMTV	34		2000	0.89	
PLS	9		2000	2.14	
M113A3	30		800	12.22	
M577	28		800	16.17	
M1097	18		2000	0.49	
M1064	12		800	13.78	
M2A1	44		800	23.75	
M1A2	90		800	224.47	

- Only accounts for EOR 2600 costs
- Must now calculate other EORs, and requirements

Budgeting the CDR's intent

125 days * 6.4 = 800 m

Annual Training Plan	125 Days (800 miles) 100% OPTEMPO				
FY XX					
LIN/Nomenclature	Density	X	Miles/Hours	Parts & Fuel Cost Factor ($)	Total
M998	76		2000	0.49	$ 74,480
FMTV	10		2000	0.89	$ 17,800
LMTV	34		2000	0.89	$ 60,520
PLS	9		2000	2.14	$ 38,520
M113A3	30		800	12.22	$ 293,280
M577	28		800	16.17	$ 362,208
M1097	18		2000	0.49	$ 17,640
M1064	12		800	13.78	$ 132,288
M2A1	44		800	23.75	$ 836,000
M1A2	90		800	224.47	$16,161,840
					$17,994,576

- Only accounts for EOR 2600 costs
- Must now calculate other EORs, and requirements

STEP # 3: DETERMINE THE FINANCED REQUIREMENTS

- First, finance the directed requirements
- Then, prioritize the remaining requirements using the following as guidelines:
  - mission essential requirements
  - the training plan
  - any new initiatives
  - less important requirements should be financed last

STEP # 4: ESTABLISH PRIORITIES

- **Establish priorities of the Unfinanced Requirements (UFR)**
- **When total requirements exceeds dollar guidance we have Unfinanced Requirements**
- **If we have a funding shortfall, we go to our decrement list to determine what gets cut**

•STEP # 4: Get Guidance

• Column D is when we would have a PBAC or Budget Meeting

- Seek Guidance from Commander
- Offer Recommendations
- Execute

" Fund one TDY, give them $12K for printin for contracts"

STEP # 4:

	18,300,000				
	A	B	C	D	E
EOR	Total ROTs By EOR	Directed ROTs	Remaining ROTs	More Important Remaining ROTs	Less Important Remaining ROTs
1. 1100	**207,820**	**207820**	**-**	**-**	**-**
2. 1200	**33,250**	**33250**	**-**	**-**	**-**
3. 2100	**84,350**		**84,350**	**850**	**83,500**
4. 2400	**41,000**	**1,500**	**39,500**	**12000**	**27,500**
5. 2500	**133,000**	**28,000**	**105,000**	**22000**	**83,000**
6. 2600	**17,994,580**	**17,994,580**	**-**	**0**	**-**
7. 3100	**180,000**		**180,000**	**0**	**180,000**
TOTAL	**18,674,000**	**18,265,150**	**408,850**	**34,850**	**374,000**

UNFINANCED REQUIREMENTS (UFR) L

- ✔ **List of those total requirements which remain unfinanced due to the limited amount of dollar guidance**
- ✔ **Unfinanced Requirement List is prioritized from MOST important to LEAST important**
- ✔ **Supported by impact statements**
  - ➢ What's the effect on Mission, Perception, Quality of Life, Readiness, Safety, Training

UNFINANCED REQUIREMENTS (UFR) L

PRIORITY	UNIT	UNRESOURCED REQUIREMENT	COST	DROP DEAD DATE	Total
1		M1A2 Turret Maint	56,000	1-Apr	56,000
2		Safety Books	4,500	1-Nov	60,500
3		Knee & Elbow Pads	35,000	1-Aug	95,500
4		Copier Rental	35,000	15-Oct	130,500
5		SINGARS Upgrade	135,000	1-Nov	265,500
6		NVD-Laser Pointer	10,000	1-Aug	275,500
7		Fort Sill TDY	64,815	1-Oct	340,315
8		Fort Knox TDY	4,025	15-Dec	344,340
9		Fort Monroe TDY	1,914	15-Jan	346,254
10		Fort Benning TDY	8,512	15-Mar	354,766
11		Janitorial Contract	15,000	15-Oct	369,766
12		Fort Irwin TDY	4,228	15-Apr	373,994
			-	Total	373,994

DECREMENT LIST

- ✔ List of financed requirements which are eliminated if the activity's funding is reduced
- ✔ Decrement list is prioritized from least important to most important
- ✔ Usually a percentage of the total dollar guidance

DECREMENT LIST

Priority	UNIT	Decrement	Cost Recovery	Total
1		Fort Bragg TDY	850	850
2		M1A2 Turret Maint	6,000	6,850
3		Porta-Potty Contract	28,000	34,850
4		Cancel 1 Training Day	143,960	178,810
5		Cancel 2 Training Days	287,920	466,730
6		Cancel 5 Training Days	719,800	1,186,530

STEP # 5: PHASING

- **Purpose of phasing: To accurately identify when funds must be available to meet obligations**
- **Financed Requirements**
  - **Phased into quarterly increments**
  - **Phased cumulatively**
- **Receive money on the FAD by quarters**

STEP # 5: PHASING

F Financed RQTs	F1 1st QTR OCT-DEC	F2 2nd QTR OCT-MAR	F3 3rd QTR OCT-JUN	F4 4th QTR OCT-SEP	G Unfinanced RQTs
207,820	51960	103,080	155,030	207,820	-
33,250	8310	16,490	24,810	33,250	-
850	0	0	850	850	83,500
13,500	13500	13500	13500	13500	27,500
50,000	50000	50000	50000	50000	83,000
17,994,580	5938210	5938210	11,876,420	17,994,580	-
-	0	0	0	0	180,000
18,300,000	6,061,980	6,121,280	12,120,610	18,300,000	374,000

STEP # 6: PREPARE SUPPORTI SCHEDULES

- **Activity budget schedule**
- **UFR lists**
- **Decrement lists**
- **Supply requirements schedules**
- **Contracts**
- **Phasing**

Tactical Unit Budget Development

- Task: Develop a budget for a tactical unit.
- Conditions: Given an MTOE, MDEP listing, cost factors, BMG, and CBE
- Standard: Determine a unit's budget for the next FY IAW AR 1-1